

## **Socially-Responsible Contractors (SRC) Provisions**

### **General**

A. Effective December 12, 2018, the City of Milwaukee adopted (09/25/2018) the Socially-Responsible Contractors Ordinance 310-10 (published: 10/11/2018) that supports a bid scoring system that awards additional points to socially-responsible contractors who make efforts to eliminate, or significantly reduce, barriers to employment. To this end, all contracting agencies shall apply an award standard in all formal competitive bids/RFPs (\$50K or more) so that an otherwise responsive and responsible bidder which is an SRC shall be awarded the contract, provided that its bid does not exceed the lowest bid by more than 5% or \$25,000. An additional number of points, equal to 5% of the maximum number of points used in the evaluation of Request for Proposals (RFPs), shall be applied to increase the total score attained by a socially-responsible contractor. The purpose of this ordinance is to ensure contributions toward community betterment made by socially-responsible contractors are recognized and rewarded.

B. Bidders or proposers seeking the SRC preference shall prepare and submit with the bid or RFP a completed and notarized affidavit certifying their SRC status. Failure to do so may result in an SRC forfeiting their rights to be considered for the bid incentive.

C. Sanctions – If any document submitted to the city by a contractor under this chapter for the purpose of participating in any city contract contains false, misleading or fraudulent information, the City Purchasing Director may direct the imposition of any of the following sanctions on the offending contractor:

1. Withholding of payment.
2. Termination, suspension or cancellation of the contract in whole or in part.
3. Denial to participate in any further contracts awarded by the City.

D. Penalty – Any person, business or corporation knowingly engaging in fraud, misrepresentation or in any attempt, direct or indirect, to evade the provisions of this chapter by providing false, misleading or fraudulent information shall, upon conviction, forfeit not less than \$2,000 nor more than \$5,000 together with the costs of prosecution.

### **SRC Criteria**

Each bidder or proposer seeking to qualify as a socially-responsible contractor shall submit, as part of its bid or proposal, a sworn affidavit describing actions taken and programs implemented to eliminate, or substantially reduce, the barriers to employment for current and prospective employees of the contractor, and the outcomes of these actions and programs.

Actions or implemented programs shall include at least three (3) out of thirteen (13) actions or programs as set forth in the ordinance and the Socially-Responsible Contractors Affidavit of Compliance form located on the Purchasing Division's website at: [city.milwaukee.gov](http://city.milwaukee.gov) > [Directory > Purchasing Division > Forms & Affidavits](#).

1. Hire persons with felony convictions;
2. Assist current or prospective employees with earning their high school diploma;
3. Underwrite or facilitate industry-linked career-assessed pre-employment services and subsidized work experience including: internships, job shadowing, on-the-job training, and summer employment;
4. Partner with an employment service agency to monitor and track individualized employment plans;
5. Provide, underwrite, or facilitate industry-linked career-based instruction to current or prospective employees in areas such as the following: blueprint reading, basic math and measurement, technical math, labor history, construction culture and essential skills, health and safety awareness, manufacturing processes and production, maintenance, and budgeting and financial literacy;
6. Provide or facilitate occupational skills training and related adult mentoring and networking;
7. Underwrite or facilitate subsidized or unsubsidized programs which provide supportive services for current or prospective employees to obtain or fund the following:
  - a. A valid driver's license
  - b. Transportation vouchers to work and home
  - c. Appropriate work attire, work safety gear, and other needed equipment
  - d. Testing and certification fees
  - e. Legal aid services
  - f. Child care and family-related dependent care
  - g. Emergency housing, health care, and short-term emergency assistance
  - h. Career and training services
  - i. School supplies, books, and fees
  - j. Referrals for medical services and exams
  - k. Reasonable accommodations for persons with disabilities
8. Partner with employment agencies to supplement subsidized wages to ensure employees receive a living wage;
9. Provide breast feeding facilities for employees who are nursing children;
10. Provide a minimum of 120 hours of paid sick leave;
11. Provide a minimum of five (5) paid sick days;

12. Provide an employer-assisted housing program providing homebuyer assistance in the form of mortgages, down payment assistance, or homebuyer education for residences within walking distance of their employer;
13. Provide assistance to reduce fees and penalties on tardy child support payments, manage payment of child support arrears, and become current on child support obligations.

### **Socially-Responsible Contractors (SRC) Application**

- A. If the bids of two or more socially-responsible contractors do not exceed the lowest bid by more than 5%, the contract shall be awarded to the socially-responsible contractor that submitted a bid that exceeded the lowest bid by the smallest amount.
- B. If a bid submitted by a non-socially-responsible contractor and a bid submitted by a socially-responsible contractor are identical, the contract shall be awarded to the socially-responsible contractor, even if the bids are only identical due to the 5% award standard provided for in this chapter.
- C. If two bids submitted by two socially-responsible contractors are identical, the winner will be determined in accordance with the process for tie-breakers as established by the City Purchasing Director.
- D. If the difference between the low bidder's amount and the lowest socially-responsible contractor amount is within 5% of the low bidder and exceeds \$25,000, then the provisions in SRC Application - point A shall not apply.
- E. SRC Application – point A shall only be applied to the “base bid”.
- F. If a bidder or proposer is seeking to qualify for the SRC bid incentive, that bidder or proposer may not also seek to qualify for the City's other bid incentive programs such as the Local Business Enterprise (LBE) bid incentive ([city.milwaukee.gov/Purchasing/Programs](http://city.milwaukee.gov/Purchasing/Programs)) or the Buy American bid incentive ([city.milwaukee.gov/Purchasing/Programs](http://city.milwaukee.gov/Purchasing/Programs)). Should there be a conflict between multiple bidders that are seeking to qualify for these incentives, precedence shall be given to the bidder seeking to qualify for a bid incentive in the following descending order:
  1. LBE bid incentive
  2. Buy American bid incentive
  3. SRC bid incentive